

EDMONDS CITY COUNCIL RETREAT

APPROVED MINUTES

February 2-3, 2012

The Edmonds City Council retreat was called to order at 10:04 a.m. on Thursday, February 2, 2012 in the Brackett Meeting Room, City Hall, 121 5th Avenue North, Edmonds, Washington.

ELECTED OFFICIALS PRESENT

Thursday, February 2

Dave Earling, Mayor
Strom Peterson, Council President
Frank Yamamoto, Councilmember
Joan Bloom, Councilmember
Michael Plunkett, Councilmember
Lora Petso, Councilmember
Adrienne Fraley-Monillas, Councilmember
Diane Buckshnis, Councilmember

PUBLIC PRESENT

Thursday, February 2

Bruce Witenberg
Darrol Haug
Ron Wambolt
Harry Gatjens
Al Rutledge
Roger Hertrich
Evan Pierce
Ken Reidy
Bruce Faires
Jim Orvis

STAFF PRESENT

Thursday, February 2

Al Compaan, Police Chief
Jim Lawless, Assistant Police Chief
Stephen Clifton, Community Services/Economic Development Director
Phil Williams, Public Works Director
Shawn Hunstock, Finance Director
Carrie Hite, Parks & Recreation Director/Interim Human Resources Director
Rob Chave, Planning Manager
Carl Nelson, CIO
Jerry Shuster, Stormwater Eng. Program Mgr.
Leonard Yarberry, Building Official
Rob English, City Engineer
Mike DeLilla, Senior Utilities Engineer
Tod Moles, Street Operations Manager
Mary Ann Hardie, Human Resources Manager
Cindi Cruz, Executive Assistant
Kody McConnell, Executive Assistant
Carolyn LaFave, Executive Assistant
Jeff Taraday, City Attorney
Sandy Chase, City Clerk
Jana Spellman, Senior Executive Council Asst.
Jeannie Dines, Recorder

THURSDAY, FEBRUARY 2, 2012 – CALL TO ORDER

Council President Peterson called the meeting to order at 10:04 a.m.

- Introduction/Brief Preview of Retreat Agenda

Council President Peterson explained in preparation for the retreat he asked the Council, Mayor and staff to identify issues important for 2012. Most of the issues were included on the retreat agenda; some will be on future Council agendas throughout the year. Mike Bailey, Redmond's Finance Director, is ill and unable to make the presentation regarding budgeting by priorities. Finance Director Shawn Hunstock will introduce the topic today. Mr. Bailey will be invited to provide a workshop to the Council in the next few weeks to explore the concept in detail.

Council President Peterson explained because this is a relatively young City Council with the majority of Councilmembers in their first term, roles and responsibilities of the Council was a topic that many identified. A consultant recommended by AWC will make a presentation tomorrow to review the relationship between City Council and Mayor in a strong Mayor/Council form of government. Council President Peterson briefly reviewed other topics on the retreat agenda.

Councilmembers and staff introduced themselves.

Audience Comments

Darrol Haug, Edmonds, thanked the Council for their efforts. This is the third retreat he has attended and he enjoys the open, candid dialogue that occurs at retreats that does not happen at City Council meetings. Today is Groundhog Day; in this case the shadow looming is the budget issue. Because 2012 is not an election year, he suggested it would be a good time for the Council to continue the spirit of the retreat and establish a policy to solve the budget gap. Budgeting by priorities was studied by the levy committee and he urged the Council to consider that concept as a way to help the City. He looked forward to a concerted effort to identify policies early in the process and was hopeful the shadow of the budget gap would not be quite as looming next year.

Al Rutledge, Edmonds, acknowledged the City did its best during the snow. He reported there was no mail delivery on SR 104/205th or on 76th for four days due to snow which could have been a problem for someone expecting medical supplies via mail. On the fifth day of the snow, a car hit a pole causing a power outage in the Lake Ballinger area. He suggested the situation be reviewed by the Police Chief. Next, he suggested the Council discuss the sale of Robin Hood Lanes and hold a public hearing.

Council President Peterson referred to an email from **Ken Reidy, Edmonds**, regarding executive sessions. Mr. Reidy's email cited the preamble to the Washington State Open Public Meetings Act (OPMA) which states in part, the people of this state do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. In Mr. Reidy's opinion, state law requires the eventual release of executive session meeting minutes to the citizens such as after real estate has been purchased, after publically bid contracts are finalized or after pending litigation has been settled and/or all appeal rights related to the litigation have been exhausted. He supported the keeping of detailed minutes of all executive sessions and offered to work with elected officials to clearly establish the point in time that executive session meeting minutes will be made available to the citizens.

Discussion about Executive Sessions and the Consequences of Minutes/Notes

Council President Peterson explained there has been some question about what other cities in Washington do/not do with regard to executive session minutes/notes, when those minutes/notes are made available to public, pros and cons regarding attorney/client privilege and the concept of executive sessions.

City Attorney Jeff Taraday provided the following introductory comments: first, there is a clear distinction between notes and minutes. Minutes may begin as notes but become minutes when the City Council has an opportunity to review and vote to approve their accuracy and in some cases make revisions which may include reviewing the audio of the meeting. Currently in executive session the City Clerk takes notes but those notes are never reviewed/approved by the City Council so they do not have the status of minutes. Second, Mr. Taraday was not aware of any other city in Washington that keeps notes of executive session. Municipal Research Service Center (MRSC) recommends against that practice. Edmonds began keeping notes of executive sessions in 1996 when Resolution 853 was adopted. Mr. Taraday read Resolution 853, Establishing a Procedure for Keeping and Retaining Minutes of City Council Executive Sessions.

Mr. Taraday pointed out that although the resolution uses the term “minutes,” he does not consider the Council’s practice to be generating minutes. To the extent the Council deems that there is a public interest for making a record of what takes place in executive session, that record should be as accurate as possible. If there is a desire for a record, there should be an audio recording of executive sessions. Alternatively, the Council goes into executive session for a reason; the reason is stated before the Council goes into executive session and it is an executive session because it is a discussion that should not be public and no record should be made. Mr. Taraday recommended the Council either make a full record or make no record; to do what the Council is doing now is potentially misleading in that it is not possible to take down on paper everything that takes place in executive session.

The Council raised the following suggestions/questions/topics (City Attorney’s response in italics):

- As an alternative to recording, keep notes of executive sessions and the Council review the notes and possibly in the future call them minutes. The resolution seems to state the Council wants to ensure there is a record stating the Council was in executive session for the right reason. *There is no way to know that an accurate record exists unless there is a recording to back up the notes. The Council also needs to vote to approve minutes; the Council cannot vote in executive session. The Council could review the minutes privately and then vote in open session to approve them. If there is an interest in a fully accurate record of what takes place in executive session, the only way to ensure that is to record it.*
- Why not record executive sessions? *The City has always asserted that if the executive session is for the purpose of discussing pending/potential litigation and the City Attorney is present, the notes taken during executive session are attorney/client privilege protected and therefore are not subject to public disclosure. However, there is no case law and there is no guarantee the court would rule that way. Therefore in the absence of a more clear statute about note taking/minute taking/recording of executive sessions, there is some risk that a court could rule that whatever record was made should be made public. He would, of course, vehemently object to that effort and would argue that any record of a discussion regarding pending/potential litigation should be treated as attorney work product or attorney/client privilege and not subject to public disclosure.*
- What topics are permissible for Executive Session and why don’t other cities take notes? *The reason other cities do not take notes is out of concern that the record cannot be protected from public disclosure. Mr. Taraday reviewed the permissible bases for executive sessions contained in RCW 42.30.1101(1).*
- The Council could continue its current practice but revise the resolution to conform to the current practice. If the current practice is continued, Councilmembers have some protection because they do not review or approve the notes taken of executive sessions. *Mr. Taraday did not recommend continuing the current practice because if the goal is an accurate, complete record, it should be a record that can be verified later.*
- There are some issues on the list of bases for an executive session that should not have any record kept; the philosophy behind an executive session is to have an open discussion about sensitive issues such as personnel, potential litigation, and those should never be revealed to the public. The Council could record discussions regarding real estate matters; the Council could review and approve minutes in open session and possibly release them in the future. The Council would not record or take notes of all other executive session topics. *The City Council could establish a policy to record certain types of executive sessions. With regard to the approval of minutes, there is no exemption from the OPMA for approval of executive session minutes; the City Council cannot go into executive session to discuss a change to executive session minutes. MRSC recommends that minutes not be kept of executive sessions because a public records request could be made for the minutes and there is no automatic exemption from disclosure that applies.*
- RCW 42.30.010 cited by Mr. Reidy states that the people of the state do not yield their sovereignty to the agencies which serve them. The Council should take full and complete minutes and record executive sessions and determine what can/cannot be revealed in the future. *The risk of that approach is the*

executive session list of topics does not clearly say that a record of the executive session is not disclosable under the Public Records Act.

- Why does Edmonds keep notes of executive sessions? *MRSC recommends notes not be kept and most cities do not. There is no legal need to take notes to comply with state law; it is up to the Council whether to preserve a record of executive sessions. It can be helpful in the future to check on topics the Council has discussed in the past.*
- Executive sessions give the Council an opportunity to have an open dialogue with staff. The philosophy of executive sessions is to have a frank dialogue, a recording would minimize that.
- There may be short term reasons not to disclose executive session notes but not in the long term. If Councilmembers know what they say could eventually be disclosed, they may be more thoughtful in their questions and discussion. All executive session conversations should be disclosed in the future. The public has a right to know the information unless it is confidential and private.
- Need to determine why other cities are not taking notes of executive sessions. *The reason other cities do not take notes is clear in the statement on MRSC's website; there is no automatic exemption from disclosure. There is the possibility even in the short term that a court could require disclosure of a record the City Council thought would not be disclosed. A potential option would be to have the City Attorney take notes. His notes would be easier to protect as they are an attorney work product.*
- It would be impractical to have discussion in executive session if Councilmembers have to think about what could be released. Recording or taking minutes for only some topics would also be difficult. There is the potential for a lawsuit with regard to any executive session topic and the Council has the fiduciary responsibility to limit/reduce lawsuits. Prefer no minutes be kept of executive sessions.

It was the consensus of the Council to clarify, revise, rewrite the resolution. Council President Peterson will schedule it for consideration by the full Council during the first half of the year and take public comment. He asked Councilmembers to provide him their suggestions.

Budgeting by Priorities Presentation (working lunch)

Community Services/Economic Development Director Clifton explained one of the topics at an Association of Washington Cities budget workshop was budgeting by priorities/budgeting for outcomes. Councilmember Buckshnis, Citizen Darrol Haug and he and a few others then met with Redmond Finance Director Mike Bailey who reinforced their interest in the concept and determining whether it would be an appropriate budgeting process for Edmonds. Mr. Bailey, who is ill today, will be invited to conduct a workshop with the Council in the future to describe what it was like for Redmond to implement budgeting by priorities, and how it was received by the directors, elected officials and citizens.

Mr. Hunstock explained Redmond spent 1-2 years and \$160,000 on consultants to put a budgeting by priorities process in place. He referred to a handout from the Government Finance Officers Association regarding a priority-driven budget process that is similar to budgeting by priorities. He provided an overview of budgeting for outcomes:

1. Determine the "price of government" (total resources)
2. Determine priorities
 - a) Example: one of Redmond's priorities was a safe place to work, play and live
3. Assign a portion of the "price" to each priority
4. Determine best way to deliver results by priority
 - a) Results Team develop strategies/RFOs
 - b) Program staff submits "offer (attempt to address goal), may be multi-department offer
 - c) Results teams rank/scale offers
5. Results budgeting is focused on strategies to accomplish priorities

Mr. Clifton pointed out the strategic plan will assist with steps 2 and 3, determining priorities and allocating resources. At the strategic plan retreat on February 28, consultant Tom Beckwith will discuss budgeting by priorities. Knowing citizens' priorities will help in the decision making process; that is how the strategic plan will tie into the budgeting process over time. Mr. Hunstock commented the State has been using budgeting by priorities for several years

Mr. Hunstock responded to Council questions regarding the size of results teams, who is on results teams, process for results team ranking/scaling offers, different results teams for each priority, ranking/weighting mandatory items ahead of discretionary items, how the Comprehensive Plan and other plans fit into budgeting by priorities, how to prevent large teams from getting bogged down in minutia, who leads the results teams, annual versus biannual budgeting process, initial resistance from staff in Redmond, first Edmonds budget that could use this process, length of time this concept has been in place, and how budgeting by priorities fits with the strategic plan.

Ms. Hite relayed comments from colleagues in Redmond that this process takes a lot of time and takes time away from other priorities. After Redmond completed their process, Bellevue used a hybrid model that was not as time intensive but had the same results. She suggested considering methods utilized by other cities.

Mayor Earling pointed out unknowns such as staffing levels based on the 2013 budget, emphasizing the need to be mindful of staffing level potential. In late February, early March and until the 2013 budget is approved, he plans to embark on a systematic approach of educating the public about the City's budget. This will be a combination of newsletters, columns, City Council meetings, etc. to expose citizens to the reality of the challenges the City faces and to get the community engaged.

Council President Peterson advised he will schedule a workshop with Mr. Bailey to provide more details regarding Redmond's experience.

Department Updates and Priorities for 2012

1. Finance

Mr. Hunstock reviewed the Finance Department's 2012 work plan:

- Policy and procedure development including reserve policy and appropriate balance in each fund
- Issue RFP for banking services, lower cost and better service
- Improve financial reporting

Mr. Hunstock reviewed a State of City's Finances handout. He highlighted the Total Governmental Fund Revenue and Expenditures graph, summarizing in 8 of the last 10 years, expenses have exceeded revenue. He highlighted the Total Fund Balance Governmental Funds graph, explaining although the General Fund ending fund balance has stayed somewhat stable, the balance in other funds is decreasing, which puts more pressure on the General Fund to bail out those funds.

Mr. Hunstock referred to the General Fund Revenue, Expenditures and Fund Balance 2009-2021 graph, which shows the General Fund will be depleted by early 2017. The graph includes \$1.3 million Public Safety Reserve but not \$1.9 million Emergency Reserve. He summarized expenses increase 3.2%/year while revenues only increase 1.4%/year. Until that gap is narrowed or reversed, the City will run out of money at some point. He provided another graph that assumes \$1 million in new revenue every year, pointing out that only pushes out the date that the City runs out of money. The bigger issue is that expenses exceed revenues. One of the primary reasons is the limit on property tax increases to 1%/year plus new construction.

Discussion followed regarding the increase in employee benefits, the importance of educating citizens regarding expenditures exceeding revenues, economic development that increases revenue, and laying the groundwork for creating new revenue sources in the future.

2. Public Works

Public Works Director Phil Williams explained in 2012 Public Works has \$32 million in expenditure authority. He distributed information regarding Engineering, including staff biographies, organization chart, staff responsibilities, 2011 accomplishments, 2012 goals, project management, and the quarterly Public Works report. He highlighted 2012 infrastructure issues:

Water

- Finish 2011 water line replacement program
- Construct 2012 water line replacements
- Pave 2010/2011 water line replacement segments rated poor and severe
- Design 2013 water line replacement
- Anticipate and implement 7.5% rate increase for January , 2013 (2010 Water System Plan)
- Expect the cost of water from Alderwood Water to increase 6-9%

Sewer

- Replace/repair/upgrade pump stations 2, 5, 11, 12, 14 and 15
- Design/construction sewer system repairs on 224th, Alder Street East, Beach Place, Dellwood Drive
- Design sewer system repairs on 200th, 216th, 72nd West, 76th West, 8th South, Hemlock, 7th Ave
- Update Sewer Comprehensive Plan and rate study
- Treatment
 - Automatic transfer switch, enclosure and new walkway
 - Aeration basin baffles
 - Incinerator state testing and compliance plan
 - New incinerator regulations
 - One more year of flow swap with King County (+\$300,000)
 - Alderwood solids processing (+\$175,000)

Stormwater

- Design Talbot Road drainage and habitat improvement
- NPDES phase II permit compliance
- Drainage improvements in SW Edmonds basin
- Public Works yard improvements
- Lake Ballinger projects

Transportation capital

- Design/right-of-way phases funded and ongoing for:
 - 228th/Hwy 99
 - 212th/76th Edmonds Woodway High School
 - 212th/84th (Five Corners)
- Complete design and construct Main Street improvements starting September
- Completed 30% design and apply for funding for Sunset Avenue walkway
- Continue traffic calming program with radar feedback signs

Mr. Williams highlighted the following:

- Street expenditure budget for 2012 is approximately \$1.605 million
- \$700,000 net gas tax (\$160,000) goes to Fund 112 for street capital)
- First \$20 TBD revenue generates approximately \$600,000/year
- Total revenue \$1.314 million
- \$291,000 from current fund balance of \$319,000 leaving \$28,000
- The City has not paved any street with its own resources since 2008

- An additional \$1.4 - \$1.5 million is needed above current funding levels to provide a sustainable street condition
- Water Fund will do approximately \$525,000 - \$595,000 paving in 2012

He displayed a chart illustrating the effect of I-695 on license fees and Motor Vehicle Excise Tax (MVET) for a \$25,000 car. He also displayed a graph of the City's historical budget growth vs. CPI 10 years before and 10 years after I-695. He displayed a map of City streets rated poor to severe. He summarized the two primary issues:

- Streets are not in acceptable condition
- Streets are getting worse each year, will continue to do so absent a targeted pavement preservation program, and the cost to cure will outpace inflation

Mr. Williams commented on the following:

- City voters rejected \$40 per vehicle TBD fee increase in 2010
- City voters rejected a property tax levy for streets in 2011
- Street utility bills have not fared well in the legislature for several years
- There are several new proposals in the legislature this year:
 - Governor's proposal:
 - \$1.50 barrel tax
 - \$1% county MVET
 - \$15 fee increase for heavy trucks
 - \$300 million to TIA for TIB grants
 - \$300 million to County CRAB board
 - TBD councilmanic fee authority for an additional \$20/vehicle
 - None of these can be counted on to resolve our street funding issue. Some General Fund or REET support is needed.

Mr. Williams responded to Council questions regarding potential for another TBD vote for a lesser amount, recent street ratings, goal of a sustainable street system, funds from the state via Public Works Trust Fund or a jobs stimulus package, the City's snow clearing policy, implementation plan for water and sewer facility fees, the role of the Citizen Transportation Board and potentially reforming the Board, current limitations on the use of TBD funds, City ordinance limiting allocation from REET to transportation, legislature's change in the use of REET, revenue bond for street paving on voted revenue source, and reducing the speed limit on Sunset Avenue.

Council suggestions included:

- Educating citizens regarding how ice/snow is removed from streets
- Reaching Council consensus on TBD/levy for money for streets
- Proposing a property tax levy for streets rather than an increased TBD fee
- Matching revenue bonds to projects

Mayor Earling commended the street crew for the great job they did during the snow storm. Last Tuesday Mr. Williams and he along with 20 other mayors from around the state met in Olympia to discuss transportation issues and to unite around a common message. He invited Councilmembers' input regarding the transportation funding tools that the legislature is discussing.

Mr. Williams commented preserving the existing infrastructure is an important issue as state funds are not available for that. He suggested the Council may want to revisit the ordinance regarding the use of TBD funds.

Council President Peterson advised the TBD Board is meeting next week; the legislature is considering allowing Councils to enact an additional \$20 TBD license fee. If that were allowed and Edmonds chose to do it, it would

generate \$600,000/year. Another possible funding source the Council could consider is changing the REET fund allocation.

3. Police

Police Chief Al Compaan displayed the Police Department organizational chart, and identified Police Department mandated services, and other services. Chief Compaan reviewed staffing and services rendered in 2011:

- 55 commissioned and 9 full-time support staff and 2 part-time
- 30,413 incidents including 8,227 traffic stops

Chief Compaan reviewed the Police Department 2012 budget:

- Budget \$9,165,244
- Includes \$531,050 jail costs
- Does not include \$1,076,255 for SNOCOM - SERS dispatch for Police, Fire, Public Works

Chief Compaan reviewed a graph of budget versus expenditures 2009 -2011. He also reviewed a graph of overtime 2009-2011 and described reasons for overtime:

- 2009: \$408,000 department operations and \$50,000 reimbursed
- 2010: \$407,000 department operations and \$40,000 reimbursed
- 2011: \$394,000 department operations and \$59,000 reimbursed

Chief Compaan commented on staffing:

- Staffing has dropped from 85 to 66 employees in last 12 years
- Experiencing difficulty filling commissioned positions. Continuous unfilled vacancies
- Three vacancies, plus fourth unfunded position in 2012

Chief Compaan highlighted the following unmet needs:

- Crime analyst/crime prevention officer – to provide timely interface within our agency, with public, and with other law enforcement
- Professional standards – greater human resources support with recruitment and hiring
- Investigations – FTE assigned to respond o increasingly complex criminal investigations
- Technology support and systems – dedicated FTE to support systems (New World, SECTOR, mobile data computers, automatic license plate reader, in-car video) and to aid in cybercrime investigations
- Animal control/ordinance enforcement – parking, animal control, illegal dumping, abandoned vehicles, pet licensing. Workload not easily absorbed by patrol

Chief Compaan reviewed the City's contract with the Town of Woodway for police services:

- Woodway pays on a per call basis (\$137.50) plus \$42.82/hour for additional officers and relies on Edmonds for 24/7 response capability
- The current contract extends through December 31, 2012
- Woodway's Police Department provides 264 hours of service/month (average of 8.7 hours/day) including the Chief
- Fire and EMS – Woodway pays \$473,638 (2012) and \$515,468 (2013) based on a call load of 50 calls/year and a population of 1,190
- Most frequent responses are for alarms but also respond to suspicious persons, domestic violence, burglary. The focus is on in-progress crimes
- Average time on scene per response is 15-30 minutes

Chief Compaan reviewed revenue generated by the contract with Woodway for police services:

Year	Police Calls	Contracted Rate	Total Revenue
2011	87	\$137.50/call plus \$42.82/hour for additional officers	\$12,867

2010	79	\$137.50/call plus \$42.82/hour for additional officers	\$11,625
2009	77	\$125/call plus overtime	\$10,079

Chief Compaan provided a comparison of Edmonds and Woodway police budgets and per capita spending:

	Edmonds	Woodway
Total Police budget excluding jail but including SNOCOM, SERS, ESCA	\$9,376,666	\$202,303
April 2010 population	40,900	1,200
Per capital spending on police, excluding jail but including SNOCOM, SERS, ESCA	\$229	\$169
Total calls for service	30,506	703
Calls per capita 2010	0.75	0.59
Total assessed valuation	\$6,433,258,853	\$471,163,064
Cost of total Police budget, excluding jail but including SNOCOM, SERS, ESCA per \$1000 assessed valuation	\$1.46	\$0.43

Chief Compaan explained earlier this year the Council passed a resolution to pursue a full service contract with Woodway. Staff plans to research other small cities that are served via a contract such as Hunts Point, Clyde Hill, etc.

Councilmember Buckshnis relayed Woodway Mayor Nichols' concern that Edmonds is not providing full service but availability service. Discussion followed regarding how the per hour charge is calculated and whether it reflects overhead costs, charging Woodway for the real cost of services, Woodway's ability to contract for police services with another agency, Edmonds Police responding to an emergency in Woodway regardless of who provides contract services, concern with continuing to contract with Woodway on a per call basis, and the fact that Edmonds residents pay for police and fire services not on a per call basis but so that they are available when needed.

Council President Peterson summarized in light of the resolution the Council passed in 2011, Chief Compaan and he will develop background information such as historic costs and data from other eastside cities served via a police contract and develop a proposal to present to Woodway. It was also suggested that a range be developed to reflect the cost that Edmonds taxpayers pay for police services.

Chief Compaan invited Councilmembers to SNOCOM's open house/tour tonight at 5:30 p.m. in Mountlake Terrace

4. Economic Development:

- Updates on Westgate/Five Corners Special District Studies

Mr. Clifton explained the EDC submitted six higher recommended projects; one of them was special district studies for Five Corners and Westgate. Last year Mr. Chave presented two concepts, one for Five Corners and one for Westgate, and the City Council authorized staff and the EDC to work with the University of Washington to prepare form-based codes related to each commercial area. The UW has prepared a draft code for Westgate that the EDC will review at their February 15 meeting.

- Highway 99 Transit Oriented Development

Planning Manager Rob Chave explained over the years regional transportation planning has progressed toward transportation oriented development (TOD) around transit. Although zoning on Highway 99 potentially encourages that type of development, the intent is to review Highway 99 regulations to ensure they do not

present any obstacles to TOD that could hinder the City's ability to seek funding. Everett, Lynnwood, and other jurisdictions have revised their development codes and plans with regard to TOD; Edmonds can partner with those jurisdictions so that development is similar along Edmonds' portion of Highway 99.

Mr. Clifton pointed out two areas that have the potential for TOD are near Community Transit Swift stations at 216th and 238th. This is an appropriate topic for the Highway Hwy 99 Taskforce and the EDC to partner on.

Mr. Chave and Mr. Clifton responded to Council questions regarding PRSC's grant for TOD affordable housing along I-5, staff's involvement with Growing Transit Communities, development of the International District, and transfer of development rights.

- CTAC Update

Mr. Clifton explained CTAC's primary focus is the City's fiber. Washington State Department of Transportation (WSDOT) gave the City 24 strands of fiber between Public Works and the ferry terminal and it now connects to the Westin building in downtown Seattle. The City prevailed in two lawsuits to allow the sale of excess capacity to the private sector.

CIO Carl Nelson reported on recent activity related to the City's fiber. He displayed a map of downtown that illustrated the fiber route. The approach has been if fiber is close to a business or building, they are approached about connecting up to fiber. He identified three active connection points: the Edmonds Center for the Arts (ECA), the 110 James Building, and Rick Steves. In addition to being close to the fiber route, a business/building must have technically IT savvy staff.

Mr. Clifton reported Meeting Planners International, an organization that schedules regional and local meetings in the United States, is holding a meeting of 150 representatives in Edmonds in May. During that meeting staff will describe the meeting facilities in Edmonds and things people can do while visiting. The goal is to connect fiber to the conference center, the Yacht Club, the library Plaza Room, and other meeting locations.

5. Parks, Recreation, and Cultural Services Update and 2012 Priorities

Parks and Recreation Director Carrie Hite reported on the following:

- Edmonds Interurban Trail Project – open late spring. On scope and on budget
- Old Milltown Plaza – underway, naming on next week's Council agenda, new owner has done repairs to Old Milltown building, donated \$7500 for development on their portion of property. New property owners interested in opening restrooms as public restrooms downtown.
- Yost Pool – in CIP to replace boiler this year, likely in September, depends on REET fund availability. Revenue down 20% in 2011, other local pools experienced same deflation of participation. Have balanced budget for 2012. Received grant from Verdant to offer swim lessons for 3rd grade students.
- Former Woodway High School – have had discussion with Edmonds School District and Verdant. Proposed for State jobs bill and capital budget. Shovel ready project.
- Edmonds Marsh – People for Puget Sound received a \$100,000 from WIRA8 with \$50,000 match allocated from Public Works CIP and Parks CIP for feasibility study for enhancements and day-lighting.
- Underwater Park – due to concerns from citizens with visual impact of buoys used to manage the underwater park, the City has been working with the local stewardship group and since summer, 10-12 buoys have been removed and replaced with floating line.
- SR 99 International District Enhancements – completed this year
- Cultural Heritage tour – grant funded
- Flower Basket poles – will be installing
- Dayton Street Plaza outside old Public Works building – shovel ready, funds in in REET to complete. Also included in State capital budget

Ms. Hite highlighted 2012 projects:

- Non-resident fees go into effect
- Sales tax added to leagues and some recreational programs
- Yost Pool turns 40
- Business (concessions) in parks with a new revenue stream going to parks
- Social media – benefits of use for department
- Implement xfit camp
- Implement online registration for swim lessons
- Exploration of park impact fees
- Civic stadium exploration
- Esperance Park
- RCO grant submittals
- Aquatics
- Public restroom

Ms. Hite responded to questions regarding whether there was space for a pool and soccer fields at the old Woodway High School, Edmonds School District's use of the old Woodway High School building, and the adopt a flower basket program.

6. Human Resources Update

Ms. Hite reported by Edmonds code the Salary Commission is active every even year. The Commission reviews all elected officials' (Judge, Mayor, and City Council) compensation and benefits and makes a recommendation to the City Council. There are seven positions on the Commission; two are appointed by the City Council and the remainder appointed by the Commission. Of the seven positions, three are returning Commissioners, one Commissioner is seeking to renew her term (a City Council appointment), leaving three vacancies to be appointed. The deadline to submit an application for the Commission is tomorrow. The process will be fast tracked because by code the Commission must hold two public hearings and make a recommendation to Council by May. The appointments will be presented to the Human Resources Committee in February and to the City Council at the third meeting in February.

Ms. Hite explained the Council negotiated a medical reopener for both Teamsters and SEIU in June 2012. This will need to be discussed in an executive session in the near future.

Council President Peterson advised the Council will also discuss Human Resources issues tomorrow during committee discussions.

Code Rewrites

Council President Peterson explained the intent of this item is a broad overview of the process, and then tomorrow during committee assignments, discuss how to proceed in the coming year with regard to building code changes.

- Development Codes

Building Official Leonard Yarberry explained the issue of a code rewrite first arose in 2006. Some work has been done but little has been done since Development Services Director Duane Bowman left. This is a major issue that needs to be addressed; the proposal is to proceed using internal staff which will entail little cost.

Planning Manager Rob Chave described the code structure; the City Code is generally Titles 1-10 which address health, safety, finance, officials, boards and commissions, etc. The Development Code is Titles 15-23 which address building, planning, engineering, public works, design, natural resources, etc. The Code rewrite is the Development Code rather than the City Code although there is linkage between the two.

Mr. Chave explained the current code structure has a great deal of legal terminology and it is structured like a legal document but it is not user friendly. The rewrite will also enhance online access. Reasons for the rewrite include amendments that have resulted in disjointed code; there is no entry point, roadmap or guide; it is not easy to understand and there are inconsistencies and contradictions.

- Discrepancies in City Codes - How do we correct these?

Mr. Chave reviewed the proposed ECDC rewrite approach:

Current	Proposed
Written manual	Hyperlinked roadmap
Organized in topic-by-topic silos	Integrated according to project/purpose
Interspersing of defined and undefined terms	Clarity of terms and when they apply
Converted to online format	Built for online access
Implies segmented reviews and responsibilities	Implies shared interests and responsibilities

Mr. Chave reviewed process and tools:

- Focus on code organization and structure
- Staff commitment
- Collaboration effort (mind mapping, authoring, online formatting)
- Find and resolve conflicts, inconsistencies
- Use focus groups and online testing
- Window of opportunity in 2012

Discussion followed regarding incorporating the rewrite of countywide planning policies, making policy changes separate from the rewrite, anticipated savings due to less staff time, timeframe for rewrite process and check-in with Council, cost of code publishing, ensuring a more usable process, creating usability cases as test cases, making use of online technology, and linkage between the ECC and ECDC.

Mr. Chave commented it would be helpful for the City Council/Mayor to make decisions this year about long term organization structure so that can be incorporated into the code. Council President Peterson suggested bringing those conflicts to the Council or the CS/DS Committee. Mr. Chave suggested this would be a good subject for a joint meeting with Planning Board.

Port of Edmonds - Update on Harbor Square Master Planning Process

Port Commissioners Bruce Faires and Jim Orvis were also present.

Bob McChesney, Executive Director, Port of Edmonds, explained Edmonds and the Port are partners actively engaged in promoting economic development for the benefit of the Edmonds community. The Port's mandate is economic development; broadly defined economic development is a conversation about the future. He thanked the City's planning staff, Rob Chave, Kernan Lien, and Stephen Clifton, for helping them understand how the process works; the process is technical, complicated and time consuming.

Mr. McChesney explained the mailed brochure regarding Harbor Square will be reprinted next week to address flaws that were the result of printer errors. The corrections are not substantive but make the brochure more accurate and easier to read. Most of the feedback the Port has received has been positive. The Port plans to move forward with a vision for the future redevelopment of Harbor Square that reflects values of the entire community. Benefits for the community include public access, open space, improved stormwater management, marsh restoration, jobs, and an expanded tax base as well as economic feasibility.

In 2009 the Port conducted a bulk analysis to test scenarios for feasibility; the driving question in that process was the minimum amount of development that needs to occur at Harbor Square in order to achieve an acceptable level of economic feasibility sufficient to attract a private sector development partner. He clarified the Port will not do the redevelopment; the Port will create the basis for a public-private partnership.

The next step is to have the plan concept approved by the Port Commission for adoption into the Port Master Plan. A non-project, programmatic SEPA is required and is currently being prepared. He expected to make a formal presentation to the Port Commission in late March and following further public comment and review, presumably the Commission will approve the plan. The plan then must be reviewed by the Planning Board, likely in April/May, and the Planning Board will forward a recommendation to the City Council regarding a Comprehensive Plan amendment. He pointed out redevelopment will not happen for several years. First, the City's Comprehensive Plan must be amended to allow the redevelopment and then there will need to be a development agreement. The final determination with regard to the timeframe for redevelopment will be made by the marketplace.

The only decision the Council will be asked to make this year is whether to incorporate the Port Master Plan into an amendment to the City's Comprehensive Plan so that Harbor Square's future can continue to be developed and discussed by the community. Development will not occur until the City, Port and the developer agree on a proposal that from the City's and the Port's viewpoint incorporates the needs and values of the community and from the developer's perspective is economically viable. The Port looks forward to continuing the conversation with the City.

First Day Wrap-up

Council President Peterson briefly described tomorrow's agenda, anticipating more inter-Council discussion. He suggested Councilmembers think about the goals of the Council committees in preparation for that agenda item. The intent of the EDC discussion tomorrow is what is economic development.

Councilmember Buckshnis offered to send Councilmembers a sample of the Finance Committee mission statement.

Councilmember Petso recalled last year the Council discussed having Audience Comments at the beginning of Council meeting agendas. She requested Audience Comments be scheduled after the Consent Agenda. Councilmember Plunkett recalled the existing policy, Audience Comments is first on the agenda unless there is a public hearing, was approved at a previous retreat.

The first day of the retreat concluded at 4:45 p.m.

FRIDAY, FEBRUARY 3, 2012 – CALL TO ORDER

Council President Peterson called the second day of the retreat to order at 9:41 a.m.

ELECTED OFFICIALS PRESENT

Friday, February 3

Dave Earling, Mayor
Strom Peterson, Council President
Frank Yamamoto, Councilmember
Joan Bloom, Councilmember
Michael Plunkett, Councilmember
Lora Petso, Councilmember
Adrienne Fraley-Monillas, Councilmember
Diane Buckshnis, Councilmember

PUBLIC PRESENT

Friday, February 3

Darrol Haug
Bruce Witenberg
Al Rutledge
Rich Senderoff
Ron Wambolt
Harry Gatjens
Val Stewart
Roger Hertrich
Don Hall
Ken Reidy

STAFF PRESENT

Friday, February 3

Al Compaan, Police Chief
Stephen Clifton, Community Services/Economic Development Director
Phil Williams, Public Works Director
Shawn Hunstock, Finance Director
Carrie Hite, Parks & Recreation Director
Carl Nelson, CIO
Frances Chapin, Cultural Services Manager
Carolyn LaFave, Executive Assistant
Jeff Taraday, City Attorney
Sandy Chase, City Clerk
Jana Spellman, Senior Executive Council Asst.
Jeannie Dines, Recorder

Council President Peterson briefly reviewed the agenda.

Audience Comments

Darrol Haug, Edmonds, commented yesterday's agenda was great but it shows shadows for the future. He referred to February 29, a calendar adjustment or recalibration, noting today's agenda included recalibration steps. Other dates in February include Valentine's Day, a day to spread the love around. He encouraged the Council to embrace volunteers for what they do. He also referred to President's Day, and Abe Lincoln's inability to tell a lie. He urged citizens, employees, and elected officials to correct errors and create a better City using the truth. He wished the Council a great day today.

Bruce Witenberg, Edmonds, an original member of the Economic Development Commission (EDC) expressed support for extending the EDC's sunset date. Candidates for Mayor and City Council campaigned on platforms supporting economic development and economic development is a high priority in moving the community beyond its current fiscal crisis. The EDC is a diverse group of individuals who work hard to build consensus with input from the community. He recommended not adopting the proposed changes to the ordinance that created the EDC as it is crucial not to constrain the EDC's ideas or stifle their creativity. If the Council does not like the ideas the EDC present, he suggested either not putting them on the agenda or Councilmembers vote against them. It is also critical that a significant number of the current EDC members be reappointed to ensure continuity and to save staff and members time educating new members.

Al Rutledge, Edmonds, referred to yesterday's presentation from the Port, suggesting the City consider transportation and the Senior Center during redevelopment of Harbor Square. Next, he suggested the public be

allowed to call in comments during City Council meetings. He also suggested the Council take public comment before and after Council deliberations during a public hearing.

Rich Senderoff, Edmonds, an original member of the EDC, appointed by Councilmember Plunkett, explained the EDC has been positive as illustrated by the Council's support of the Five Corners and Westgate studies. He commented on the strategic planning process, relaying he was impressed with the consultant's knowledge and that they were listening and was confident a good product would result. He pointed out the strategic planning process is not economic development; there will be economic development components but it has more to do with bridging divides in the community and budgeting for priorities. He acknowledged the EDC is not perfect and there are areas where it can improve such as more interaction with the Council as a whole and with the Councilmembers who appointed each member. Having two Council liaisons to the EDC will also assist with that interaction. He urged the Council to extend the sunset date of the EDC and allow the group to develop its own personality. If the EDC goes astray, he urged the Council to inform them.

Presentation on Roles and Responsibilities in a Mayor/Council Form of Government

Council President Peterson introduced **Pete and Carol Butkus, Butkus Consulting**. Mr. Butkus summarized his presentation and described his and his wife's backgrounds as local elected officials.

Ms. Butkus provided her observations from her service in local government (Councilmember and Mayor) and in talking with other local elected officials:

- The Council is a legislative body
- Decisions are Council decisions, after a decision, Councilmembers cannot continue to voice personal opinion to citizens
- Steep learning curve, reason for developing Council handbook
- Representative government, citizens not have time to study issues, that is the reason they elected Councilmembers
- Compromise is not a bad thing, important to work with other Councilmember to reach a good decision
- Have fun. Pullman had a Waffle Award that was presented to the Councilmember who was the most indecisive
- Be considerate, read packet, ask questions early/before meeting
- Work toward consensus, garner support, work issues
- Next week is new meeting, don't bear grudges or bring stereotypes into meetings
- Anticipate long term result of decisions
- There is never a time a Councilmember is off the record.

Ms. Butkus briefly reviewed materials from Pullman, Olympia and Spokane.

Mr. Butkus described his first exposure to the City Council as a police officer and later as a Mayor, emphasizing the importance of reading Council packets before meetings. He reviewed Pullman's organizational chart, pointing out boards and commissions are advisory to the Council.

Mr. Butkus described a hypothetical case where a school official asks at a Council meeting for the City to install a traffic signal at a busy intersection where students cross due to recent district changes and a citizen makes an emotional appeal. This example illustrated the importance of communication and the Council working with staff to develop a solution.

Mr. Butkus presented another hypothetical situation where a Councilmember was talking with the Parks Superintendent and asked the Superintendent to make a presentation to Council that night regarding a project.

Mr. Butkus asked each Councilmember to comment on what was right/wrong with that request. Mayor Earling described the Council's process for putting things on an agenda.

Mr. Butkus presented another hypothetical situation where the budget is on the agenda for adoption following a long process and a Councilmember asks to have a decision package included for a police officer. The Council discusses the decision package and is unable to reach a consensus. The Mayor identifies several options. This example illustrates the importance of useful, respectful communication.

Mr. Butkus conducted a group exercise where he asked Councilmembers and Mayor to identify ways they would like to have business conducted and then prioritize the list:

- | | |
|---------|---|
| 4 votes | Legal questions and how many Councilmembers does it take to give direction to the City Attorney |
| 6 votes | Contact with staff by Council as appropriate. Copy Mayor on issues related to policy or that consume staff time |
| 2 votes | Citizens' concerns – how comment back to, 1) make sure a response is given, and 2) coordination among Mayor and Council needed. |
| 2 votes | Open communication with each other and staff |
| 2 votes | Open door policy with Mayor |
| 0 votes | Communication with staff and mayor |
| 1 vote | Mayor and Council communication goes to all Council |
| 1 vote | Protocol on communication – same for all of us |
| 2 votes | Utilize everyone's expertise |

During the above exercise there was discussion regarding authority to direct the City Attorney, being cautious about what is written in email, designating one person to respond to citizens, importance of committees making recommendations to Council, and rescheduling an agenda item rather than endless debate if it is clear the Council is not going to take action,

The retreat was recessed for lunch from 12:14 p.m. to 1:13 p.m.

Mr. Williams reported he met with PUD staff on site today regarding the Main Street project and determined it will be possible to move overhead power on the south side between 5th and 6th into the alley at virtually no cost to the City. He planned to seek a partnership with the PUD on the Five Corners intersection.

Committees: Roles and Responsibilities

Council President Peterson suggested the Council clarify roles and responsibilities of committees for this Council, the public and future Councils.

The Council and staff discussed what issues are sent to which committee, how an issue is presented to two committees, the previous practice of holding work sessions at Council meetings on the 4th Tuesday, noticing committee meetings so that Council can meet as a whole if necessary, and work sessions allowing formal meetings to move more quickly.

Council President Peterson advised he would work toward having the 4th Council meeting be a work session, and taking action at regular meetings.

- **Expectations**

Council President Peterson summarized options for committee action: 1) schedule on the Consent Agenda, 2) forward to full Council, 3) do not move forward, or 4) schedule on work session agenda. The way to get an item

before the Council is first a committee meeting or work session. Issues that have a financial impact will be discussed at a work session rather than just by the Finance Committee.

It was the consensus of the Council to change the name of the Community Services/Development Services Committee to the Public Works, Parks and Planning Committees.

- Mission Statements

Committees will determine whether to develop a mission statement. Councilmembers Buckshnis and Yamamoto will develop a mission statement for the Finance Committee.

- Clarify the Public Safety/Human Resources Committee

It was the consensus of the Council to change the name of the Public Safety/Human Resources to Committee to the Public Safety and Personnel Committee.

- Community Outreach, Tree Board

Council President Peterson explained there has been a proposal to restart the Community Outreach Committee. Councilmember Plunkett recalled the Community Outreach Committee was discontinued after 3 years; no new methods of communicating were identified. Mayor Earling commented on the potential for an electronic newsletter.

Discussion followed regarding whether to form a code rewrite committee so that the code rewrite is Council and citizen driven, technical expertise required for the code rewrite, having staff make periodic presentations at Council work sessions regarding the rewrite, the proposal by staff to restructure the code, providing opportunity for citizen comment but having professionals assemble the changes, citizen knowledge that could benefit the process, concern with citizens participating for their own benefit or at least that perception, proposal to have user groups test the model, ability for any citizen to identify code conflicts regardless of whether there is a committee structure, and asking staff whether forming a committee in the future could be helpful.

The Council agreed to seek feedback from Planning Manager Rob Chave and Building Official Leonard Yarberry regarding forming a code rewrite committee and schedule further discussion on a work session agenda.

Council President Peterson suggested enhancing the Council portion of the website with more updates, etc. and working with the Mayor on an electronic newsletter and then consider whether a Community Outreach Committee is needed. It was the consensus of the Council to add a Council liaison to the Tree Board and to make it a paid committee position.

- Ethics

Council President Peterson recalled there has been discussion about developing a code of ethics for Councilmembers. Councilmembers Fraley-Monillas, Bloom and Petso offered to serve on an ad hoc committee that would review other cities' codes and present a draft to the Council.

- Miscellaneous

Mr. Taraday explained a special meeting notice must be issued for Tuesday committee meetings that begin at 6:00 p.m. If the Council wished to continue holding committee meetings at 6:00 p.m., he suggested revising the code to reflect that start time.

Council President Peterson suggested the Council consider starting all Council meetings at 6:00 p.m. and holding executive sessions at the end of the meeting.

Edmonds Center for the Arts (ECA)/Public Facilities District (PFD) and the Role of the City

ECA Board Members Steve Sheldon and Tom Tomberg and PFD Board Members Bob Rinehart and John McGibbon were also present.

Joe McIalwain, Executive Director, Edmonds Center for the Arts, described the governance structure:

- Snohomish County PFD established in 2011 for the purpose of creating and operating facilities to generate tourism. They oversee four projects:
 - Comcast Arena
 - Lynnwood Convention Center
 - Edmonds Center for Arts
 - Future of Flight Museum
- Edmonds PFD is an independent public agency and is the owner/operator of ECA.
- Edmonds PFD is affiliated with the City through a four-party Interlocal Agreement
 - City Council approves changes to PFD charter
 - City Council appoints PFD Board Members
 - City Council guarantees bonds issued in 2002 and in 2008 for the renovation and operation of the Center

Mr. McIalwain described the differences between the PFD and ECA:

- Edmonds Public Facilities District
 - An independent public agency established under RCW 35.57
 - Audited annually by the State Auditor's Office
 - Owns the land and all facilities on the campus
 - Statutory authority over the operation and programs of the Center
 - Does business as "Edmonds Center for the Arts" or "ECA"
- The Not-for-Profit Organization (ECA)
 - A separate 501c3 corporation
 - Official name of the corporation: Edmonds Center for the Arts
 - 18 member Board of Directors at present (up to 24 positions)
 - Mandate: to support Edmonds Public Facilities District in its operation of the Center

Mr. McIalwain reviewed the organization chart. The campus facilities include:

- Theater, lobby – build 1939, renovated 2006
- Gymnasium – built 1939
- School building – originally built 1921, renovated 1939
- Music building – build 1962, currently storage only
- Parking lot (90 spaces)

The ECA is solely responsible for the ongoing maintenance of the facilities and grounds. Edmonds Landscaping generously provides weekly landscape maintenance at no cost as a donation to the not-for-profit. District staff manages maintenance projects directly or contracts for services with outside vendors at its own expense. Mr. McIalwain reviewed art programs and services at the Center:

- ECA's season presentations
 - Approximately 25 artists/groups from around the world each season
 - Music, theater, dance, comedy, special attractions
- Community Partner Organizations
 - Cascade Symphony Orchestra

- Olympic Ballet Theater
- Sno-King Community Chorale
- Edmonds Community College
- City of Edmonds Cultural Services Department
- Gymnasium
 - Sno-King Youth Club
 - Sports and Recreation organizations
 - Arts activities and special events
- Lease agreements
 - Community Christian Fellowship
 - Stella Maris Academy (Montessori)
 - Clearwire, Inc. (rooftop cellular lease agreement)

He described the cultural and economic impact of the Center on the community. He highlighted preliminary financial information for 2011 year-end:

- Ticket sales revenue up 33%
- Rental revenue up 5%
- Contributed revenue up 20%
- Total operating revenue up 20%

Mr. McLalwain reviewed the Center's capital debt:

- EPFD retains approximately \$10 million in capital debt
- 2002 bond issue - \$7 million (\$6 million – PFD, \$1 million – City)
 - City makes bond payment directly
 - PFD reimburses City for these payments with Tier 1 funds
- Private Capital Campaign – \$7 million
 - Combination of individuals, corporations and foundations
- 2008 bond issue - \$4 million
 - To cover the balance of the renovation costs
 - Bonded against a new revenue stream (Tier 2) from Snohomish County PFD
 - Bonds guaranteed by City of Edmonds via Contingent Loan Agreement

Mr. McLalwain reviewed sales tax revenue streams:

- A. Direct local-level sales tax rebate
 - Covers portion of the 2002 bond issue
- B. Tier 1 county-level sales tax rebate
 - Covers remainder of the 2002 bond issue
- C. Tier 2 county-level sales tax rebate
 - Intended to cover 2008 bond issue
 - Projected revenues exceeding \$200,000 annually
 - Economic crisis resulted in 100% loss of revenue from the Tier 2 rebate in 2012
 - This unrealized funding source is the cause of capital shortfall

Mr. McLalwain reviewed the projected capital shortfalls 2001-2012. He described potential solutions to the debt shortfall which include:

- City/PFD/ECA Task Force – representatives from each meet monthly to strategize and pursue new revenue for debt service such as:
 - Naming rights
 - Extension of PFD tax rebate which may allow refinance of 2008 bonds
 - Economic recovery
 - Improved operating performance, net revenues to capital

- Improved performance in operation will also help meet future bond debt obligations

Opportunity and challenges include:

- Facilities
 - Tremendous history
 - Significant square footage
 - Renovated portion – capital replacement and renewal
 - Non-renovated portion – renovation and repairs
 - Future development
- Programs and services
 - Expanded presenting season
 - Expanded rental program
 - Expanded education/outreach
 - Summer camps and programs
 - Expanded sports and recreation activities
 - Visual arts activities
- Partnerships
 - City of Edmonds
 - Edmonds Community College
 - South County Senior Center
 - Edmonds Arts Festival Foundation
 - Others

Mr. McIlwain advised the PFD/ECA just released a Request for Proposals for its own strategic planning process and has formed a committee to oversee the process. He assured all stakeholders will have an opportunity to engage in that process.

Council President Peterson encouraged Councilmembers to tour the ECA.

Economic Development Commission (EDC)

Council President Peterson explained the question soon to be before the Council is whether to extend the sunset date of the ECA. The current sunset date is April 29, 2012. The Council can choose to change the mission of the EDC, discontinue the Commission, redefine the definition of economic development, etc.

Council, Mayor and staff comments included the following:

- Some EDC members view economic development as anything that brings in revenue to the City, others view it as business activity
- Creation of residential housing units is not economic development
- The EDC is looking at ways to produce revenue for City indirectly/directly
- The City needs to foster economic development to generate revenue as well as foster quality of life.
- Important to bring in businesses that generate revenue, but what can the City do to attract businesses
- Fostering an economic base attracts good quality housing and people to live here
- Diverse housing/population attracts businesses
- EDC should concentrate on tourism, sports tourism
- Think of economic development in terms of the financial future of the City
- Need to advertise broadband capacity
- Think outside what one project will bring to the City
- Economic development is not just businesses retention/recruitment, it is a combination of activities and policies established to improve the City's economic health and quality of life

- Economic development includes investing in education of children and business owners, investing in critical infrastructure, environmental and fiscal sustainability
- Be a welcoming community to all
- Concern with definition of economic development as any and all money coming to the City
- Not interested in the EDC considering sources of revenue that citizens and the City Council have rejected in the past such as business taxes, gambling, taller buildings, transport fees, etc.
- Frightening and illogical not to limit revenue sources the EDC considers for economic development
- New residential units cannot be the only source of revenue to close the budget gap
- What would the economic impact have been to the City if a conference center, hotel/restaurants, and public open space had been developed at Pt. Edwards
- Long term sustainability and quality of life is the most important
- Need to give EDC parameters so have they have direction
- Economic development was not specifically defined when EDC created
- Cannot support extending the EDC's sunset date unless their focus is narrowed
- Proposed amendment narrows focus of EDC
- Support economic development but not taxing citizens
- Should not stifle ideas/micromanage the EDC before ideas even reach the Council
- Purpose of EDC to bring forth ideas; City Council has ultimate decision whether to pursue or not
- Economic development versus economic growth; economic growth is a component of economic development
- Several Councilmembers have not appointed EDC members
- One of important things from EDC is the strategic planning process. If focus was narrowed could the EDC have done that?
- Leaving EDC's focus open allows opportunity for ideas
- Support extending EDC
- EDC seemed only to be asking the Council for money for studies and a proposal for development agreements
- There are other volunteers groups that do land use (Planning Board), fiber (CTAC), etc.
- The EDC's mission may be so broad that worthwhile ideas are not being pursued
- If Council wants to put some control on the EDC, don't limit them to only opening new businesses on Main Street. Their charge needs to be broad enough to include quality of life and controlling tax increases
- EDC discussions generate a lot of ideas; some come move forward, some do not. In 2½ years the only item that led to the proposed changed is non-transport EMS fee
- It is the EDC's role to propose all kinds of economic development strategies and revenue sources; it is up to the City Council to say yes or no
- Need to appoint new members to EDC and amend the ordinance
- Development of sports fields at old Woodway High School is an example of sports tourism
- When the EDC proposed a non-transport fee, they only wanted the Council to talk about it
- EDC is a new commission, will have growing pains
- Empower the EDC and move forward. Important to keep momentum going

Council President Peterson advised he would schedule changing the language in the ordinance on a future Council agenda. Council suggestions for that discussion included:

- Clarify the Council liaison's role
- Have a Port liaison rather than Port Commissioners serving as members
- Amend the language so members are not elected officials
- Make Commissioner appointments later
- Stagger Commissioners' terms

Introduction to Support 7 Citizen Volunteer Emergency Response

Ken Gaydos, Support 7 Fire – Police Volunteer Chaplaincy Services, provided a video of tragic events that occurred before Support 7 was founded and events where Support 7 has provided support services for friends and relatives of victims and emergency responders at the scene.

Mr. Gaydos explained Support 7 began in 1985 with a surplus aid unit to provide a place for friends and relatives of victims at the scene and refreshments for police/fire. He commented on the volunteer chaplains and lay men and women who provide support as well as business partners who are part of the team. Support 7 is housed at the Lynnwood Civic Center Fire Station.

A non-profit was established and they have assisted approximately 500 cities across the country in establishing similar programs as well as introducing similar programs in the Philippines, Hawaii, and Haiti.

The retreat was adjourned at 5:42 p.m.